

No. 259

**ABSTRACT OF REPORTS
OF CONDITION
OF
MONTANA
STATE BANKS
AND
TRUST COMPANIES**

**NATIONAL BANKS
AND
TRUST COMPANIES**

December 31, 1998

Peter Blouke	Director, Department of Commerce
Don Hutchinson	Commissioner of Banking & Financial Institutions

OFFICE STAFF

Chris Olson	Deputy Commissioner
James Darfler	Bank Analyst
Kris Leitheiser	Office Supervisor
Brandie Cooper	Receptionist

HELENA AREA EXAMINERS

Steve Caruso	Bank Examination Manager
Bob Fitzsimmons	Senior Bank Examiner
Paul Staudohar	Senior Bank Examiner
Bob O'Reilly	Bank Examiner
Tom Tucker	Bank Examiner
Patricia Doherty	Bank Examiner
John Ross	Bank Examiner

BILLINGS AREA EXAMINERS

Darryl Redman	Bank Examination Manager
Barry Smith	Senior Bank Examiner
Chris Chakos	Bank Examiner
Nikki Wagenseller	Bank Examiner
Shad Hupka	Bank Examiner

MONTANA STATE BANKS AND TRUST COMPANIES
(Cities with branches are in italics)

Baker	The Bank of Baker
Belgrade	Valley Bank of Belgrade
Belt	Belt Valley Bank (f)
Bigfork	Flathead Bank <i>Lakeside</i>
Big Sky	Big Sky Western Bank <i>Four Corners</i>
Big Timber	Citizens Bank & Trust Co. (f)
Billings	First Citizens Bank First Interstate Bank (f) Bozeman Colstrip Cut Bank Eureka Evergreen Gardiner Great Falls Hamilton Hardin Kalispell Livingston Miles City Missoula West Yellowstone <i>Whitefish</i> Rocky Mountain Bank (f) Bigfork Broadus <i>Harlem</i> Plains Plentywood Stevensville Whitehall
Boulder	First Boulder Valley Bank <i>Montana City</i>
Bozeman	First Security Bank <i>Belgrade</i>
Bridger	Bank of Bridger <i>Joliet</i>
Butte	First Citizens Bank (f)
Cascade	Stockmens Bank (f)
Choteau	Citizens State Bank of Choteau (f)
Conrad	Farmers State Bank of Montana (f) <i>Cut Bank</i>
Deer Lodge	First Security Bank Peoples Bank of Deer Lodge
Denton	Farmers State Bank (f)
Dillon	State Bank & Trust Co.
Dutton	Dutton State Bank
Ennis	First Madison Valley Bank <i>West Yellowstone</i>
Eureka	Glacier Bank of Eureka (f)
Fairview	Fairview Bank
Forsyth	First State Bank of Forsyth
Fort Benton	First State Bank of Fort Benton Heritage State Bank * <i>Geraldine</i>
Froid	First State Bank (f)
Glasgow	First Community Bank (f) Ashland Culbertson <i>Hinsdale</i> Wolf Point
Glendive	Valley Bank of Glasgow
Great Falls	Community First Bank Davidson Trust Company Billings Kalispell <i>Missoula</i>
Hamilton	Citizens State Bank <i>Corvallis</i> Ravalli County Bank (f) <i>Stevensville</i>
Hardin	Little Horn State Bank <i>Lockwood</i>
Havre	First Security Bank <i>Poplar Scobey</i>
Helena	College Savings Trust First Security Bank Valley Bank of Helena (f)
Jordan	Garfield County Bank

Kalispell	First Security Bank Glacier Bank (f) Bigfork <i>Billings</i> Columbia Falls Cut Bank Evergreen Hamilton Helena Libby Polson Thompson Falls Valley Bank
Laurel	First Security Bank (f) Yellowstone Bank (f) Absarokee <i>Billings</i> Columbus
Lincoln	First Bank of Lincoln
Livingston	American Bank (f) <i>Big Timber Bozeman Whitefish</i>
Lolo	Bitterroot Valley Bank <i>Bonner Frenchtown St. Regis</i>
Malta	First Security Bank (f) First State Bank (f)
Manhattan	Manhattan State Bank <i>Amsterdam</i>
Miles City	Stockman Bank of Montana Billings Glendive Hysham Richey Sidney Wibaux Worden
Missoula	Advisor's Trust Co. Community Bank of Missoula (f) First Security Bank (f) Flint Creek Valley Bank (f) <i>Drummond</i>
Plentywood	Montana State Bank (f)
Polson	First Citizens Bank (f) <i>East Missoula</i> Security State Bank (f)
Ronan	Ronan State Bank (f) Pablo Polson Valley Bank of Ronan (f) Arlee Hot Springs
Roundup	First Security Bank
St. Ignatius	Lake County Bank (f)
Seeley Lake	First Valley Bank (f)
Shelby	First State Bank
Sidney	1st Bank (f)
Stanford	Basin State Bank <i>Lewistown</i>
Terry	State Bank of Terry (f)
Thompson Falls	First State Bank of Thompson Falls
Three Forks	Security Bank of Three Forks
Townsend	State Bank of Townsend (f)
Victor	Farmers State Bank (f) Darby Florence Hamilton Stevensville
West Yellowstone	First Security Bank
Whitefish	Glacier Bank of Whitefish (f)
Wolf Point	Western Bank of Wolf Point (f)

(f) Member of the Federal Reserve System
*Opened 8-10-98, assuming certain assets and liabilities of Q Bank, which was closed 8-7-98

STATE BANKING BOARD ACTIONS:

8-7-98 - Approved the application of United Financial Corp. to form a new bank in Fort Benton
11-20-98 - Approved the application of Forstrom Bancorporation to form a shell bank to consolidate its ownership of First Valley Bank, Seeley Lake

DIVISION OF BANKING AND FINANCIAL INSTITUTIONS
ADMINISTRATIVE ACTIONS:

On these dates, approved applications by banks to open branches in the following locations:
7/13/98 - Ravalli County Bank, Hamilton - Stevensville
12/1/98 - Security State Bank & Trust, Polson - Polson
12/1/98 - Valley Bank, Ronan - Polson

On these dates, approved bank merger applications:
8/24/98 - Cheyenne Western Bank, Ashland, into First Community Bank, Glasgow
12/18/98 - First Security Bank of Belgrade into First Security Bank, Bozeman

MONTANA NATIONAL BANKS AND TRUST COMPANIES
(Cities with branches are in italics)

Absarokee	United Bank of Absarokee, N.A. <i>Columbus</i>
Billings	U.S. Bank National Association MT Bozeman Butte Great Falls Havre Helena Miles City <i>Missoula</i>
	U.S. Bank Trust National Association MT Bozeman Great Falls Helena <i>Missoula</i>
	Norwest Bank Montana, N.A. Anaconda Baker Big Sandy Bozeman Butte Chester Chinook Circle Conrad Dillon Forsyth Glasgow Great Falls Havre Helena Kalispell Lewistown Livingston Missoula Red Lodge Roundup Rudyard Shelby Sidney Superior Valier
Browning	Blackfeet National Bank
Chinook	Western Bank of Chinook, N.A.
Columbia Falls	First Citizens Bank, N.A.
Ekalaka	First National Bank
Fairfield	First National Bank <i>Vaughn</i>
Harlowton	Continental National Bank <i>Ryegate</i>
Helena	Mountain West Bank, N.A. <i>Great Falls Missoula</i>
Kalispell	BankWest, N.A. Montana First National Bank
Lewistown	First National Bank of Lewistown
Libby	First National Bank of Montana Anaconda Belgrade Butte Helena Missoula Troy
Red Lodge	United States National Bank
Twin Bridges	Ruby Valley National Bank <i>Sheridan</i>
White Sulphur Springs	First National Bank of the Rockies Clyde Park Emigrant

Aggregate Assets, Liabilities and Capital of 72 state banks and 3 trust companies, December 31, 1998,
compared with 76 state banks and 2 trust companies, December 31, 1997.

	(000 omitted)			
	December 31		Increase/Decrease	
	1998	1997	\$	%
ASSETS				
Cash and Balances Due from Banks.....	\$414,786	\$374,489	\$40,297	10.76
Securities - Held to Maturity.....	398,252	448,081	(49,829)	(11.12)
Securities - Available for Sale.....	1,196,042	850,008	346,034	40.71
Securities - Held for Trading.....	0	0	0	0.00
Total Securities	1,594,294	1,298,089	296,205	22.82
Funds Sold & Repurchase Agreements.....	225,022	199,428	25,594	12.83
Loans and Leases.....	3,883,537	3,478,610	404,927	11.64
Less: Allowance for Loan and Lease Losses.....	62,666	58,003	4,663	8.04
Net Loans and Leases	3,820,871	3,420,607	400,264	11.70
Fixed Assets.....	142,419	114,957	27,462	23.89
Other Real Estate Owned.....	21,090	23,559	(2,469)	(10.48)
Other Assets.....	125,506	114,425	11,081	9.68
TOTAL ASSETS	\$6,343,988	\$5,545,554	\$798,434	14.40
LIABILITIES				
Interest-Bearing Deposits.....	\$4,191,561	\$3,727,651	\$463,910	12.45
Non-Interest-Bearing Deposits.....	978,878	878,186	100,692	11.47
Funds Purchased & Repurchase Agreements.....	255,253	254,232	1,021	0.40
Demand Notes.....	9,512	10,663	(1,151)	(10.79)
Other Borrowed Funds.....	232,248	83,441	148,807	178.34
Other Liabilities.....	50,320	46,156	4,164	9.02
TOTAL LIABILITIES	\$5,717,772	\$5,000,329	717,443	14.35
CAPITAL				
Subordinated Notes and Debentures.....	\$350	\$350	0	0.00
Preferred Stock.....	0	0	0	0.00
Common Stock.....	120,946	121,815	(869)	(0.71)
Surplus.....	293,098	253,425	39,673	15.65
Undivided Profits and Capital Reserves.....	203,898	166,385	37,513	22.55
Unrealized Securities Gains & Losses (FASB 115).....	7,924	3,250	4,674	143.82
TOTAL CAPITAL	\$626,216	\$545,225	80,991	14.85
TOTAL LIABILITIES AND CAPITAL	\$6,343,988	\$5,545,554	\$798,434	14.40

Aggregate Assets, Liabilities and Capital of 17 national banks and 1 trust company, December 31, 1998,
compared with 20 national banks and 1 trust company, December 31, 1997. Compiled from
information provided by Montana national banks.

	(000 omitted)			
	December 31		Increase/Decrease	
	1998	1997	\$	%
ASSETS				
Cash and Balances Due from Banks.....	\$264,005	\$302,784	(\$38,779)	(12.81)
Securities - Held to Maturity.....	29,081	34,879	(5,798)	(16.62)
Securities - Available for Sale.....	456,920	482,397	(25,477)	(5.28)
Securities - Held for Trading.....	0	737	(737)	(100.00)
Total Securities	486,001	518,013	(32,012)	(6.18)
Funds Sold & Repurchase Agreements.....	343,256	185,625	157,631	84.92
Loans and Leases.....	2,260,332	2,378,690	(118,358)	(4.98)
Less: Allowance for Loan and Lease Losses.....	30,623	34,495	(3,872)	(11.22)
Net Loans and Leases	2,229,709	2,344,195	(114,486)	(4.88)
Fixed Assets.....	56,343	57,556	(1,213)	(2.11)
Other Real Estate Owned.....	1,253	9,187	(7,934)	(86.36)
Other Assets.....	98,617	75,545	23,072	30.54
TOTAL ASSETS	\$3,479,184	\$3,492,905	(\$13,721)	(0.39)
LIABILITIES				
Interest-Bearing Deposits.....	\$2,339,516	\$2,315,602	\$23,914	1.03
Non-Interest-Bearing Deposits.....	609,178	559,993	49,185	8.78
Funds Purchased & Repurchase Agreements.....	122,870	218,831	(95,961)	(43.85)
Demand Notes.....	0	0	0	0.00
Other Borrowed Funds.....	11,956	11,366	590	5.19
Other Liabilities.....	54,844	61,133	(6,289)	(10.29)
TOTAL LIABILITIES	\$3,138,364	\$3,166,925	(28,561)	(0.90)
CAPITAL				
Subordinated Notes and Debentures.....	\$47,800	\$48,273	(473)	(0.98)
Preferred Stock.....	0	0	0	0.00
Common Stock.....	70,716	69,715	1,001	1.44
Surplus.....	101,948	101,913	35	0.03
Undivided Profits and Capital Reserves.....	116,029	100,980	15,049	14.90
Unrealized Securities Gains & Losses (FASB 115).....	4,327	5,099	(772)	(15.14)
TOTAL CAPITAL	\$340,820	\$325,980	14,840	4.55
TOTAL LIABILITIES AND CAPITAL	\$3,479,184	\$3,492,905	(\$13,721)	(0.39)
GRAND TOTAL - ALL BANKS IN MONTANA				
	\$9,823,172	\$9,038,459	\$784,713	8.68

STATE BANKS

	December 31,	
	1998	1997
Total Loans and Leases to Total Assets.....	60.62%	62.08%
Total Loans and Leases to Total Deposits.....	75.11%	93.32%
Total Capital and Reserve Accounts to Total Assets.....	10.75%	10.77%
Tier 1 Capital to Total Assets.....	9.87%	9.83%
Allowance for Loan and Lease Losses to Total Loans.....	1.61%	1.67%

NATIONAL BANKS

	December 31,	
	1998	1997
Total Loans and Leases to Total Assets.....	64.40%	67.43%
Total Loans and Leases to Total Deposits.....	76.66%	102.72%
Total Capital and Reserve Accounts to Total Assets.....	10.58%	10.22%
Tier 1 Capital to Total Assets.....	8.42%	7.95%
Allowance for Loan and Lease Losses to Total Loans.....	1.35%	1.45%